

Message Text

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PAGE 01 MADRID 02029 182124Z

ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 CIAE-00 COME-00 EB-08 INR-07

LAB-04 NSAE-00 SIL-01 DODE-00 PM-04 H-01 L-03

NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 TRSE-00

/084 W

-----191426Z 122094 /42

R 181118Z MAR 77

FM AMEMBASSY MADRID

TO SECSTATE WASHDC 9397

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY THE HAGUE

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY OSLO

AMEMBASSY PARIS

USMISSION NATO

USMISSION EC BRUSSELS

USMISSION GENEVA

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E.O. 11652: N/A

TAGS: ELAB, EFIN, EGEN, SP

SUBJECT: COMMENTS OF MINISTER OF LABOR

1. MINISTER OF LABOR ALVARO RENGIFO CALDERON MET WITH THE BRITISH, FRENCH, AND U.S. LABOR ATTACHES (THE WEST GERMAN WAS ON LEAVE) ON MARCH 16 FOR A LABOR TOUR D'HORIZON. THE HIGHLIGHTS OF HIS COMMENTS FOLLOW.

2. NEW LABOR DECREE (SEE MADRID 1715). THE GOVT HAD FELT THAT IT MUST CLARIFY AND MODIFY SOME OF THE EXISTING LABOR LEGISLATION WITH A VIEW TO IMPROVING THE LABOR RELATIONS
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PAGE 02 MADRID 02029 182124Z

CLIMATE. UNIONS AND EMPLOYERS BOTH WERE FAR FROM WELL-ORGANIZED AND IT WOULD PROBABLY BE SEVERAL YEARS BEFORE SPAIN COULD EXPECT TO ENJOY A "NORMAL" LABOR RELATIONS CLIMATE AS SOME OTHER WESTERN NATIONS KNOW IT. THUS, THE GOVT HAD SEEN LITTLE MERIT IN POSTPONING NEEDED LABOR MEASURES UNTIL AFTER THE JUNE ELECTIONS.

3. RENGIFO NOTED THAT THIS YEAR, AS LAST, WAS A "YEAR OF TRANSITION," AND THE GOVT WOULD CONTINUE TO BE "TOLERANT" IN THE APPLICATION OF THE NEW NORMS. FOR EXAMPLE, ALTHOUGH POLITICAL STRIKES REMAINED ILLEGAL, THE GOVT RECOGNIZED THAT THEY WOULD STILL BE CALLED AND WOULD LOOK THE OTHER WAY UP TO A POINT. CONTRARY TO THE INITIAL INTERPRETATION OF THE NEW STRIKE PROVISIONS, SOLIDARITY STRIKES - AS LONG AS THEY REMAINED WITHIN THE SAME INDUSTRIAL SECTOR - WOULD BE PERMITTED.

4. WITH RESPECT TO THE LIBERALIZATION OF THE DISMISSAL PROCEDURES, IT WAS INCORRECT TO CHARACTERIZE THE NEW SYSTEM AS ONE OF "UNLIMITED" OR "FREE" DISMISSALS, AS CHARGED BY THE LABOR SEGMENT. AS A MATTER OF FACT, WORKERS WERE STILL PROTECTED BY PROBABLY THE HIGHEST DISMISSAL COMPENSATION SYSTEM IN EUROPE. LABOR'S COMPLAINTS ABOUT THE NEW DECREE WERE "POLITICALLY MOTIVATED."

5. SOCIAL PACT. THE MINISTER DID NOT VISUALIZE ONE IN THE NEAR FUTURE, AND THE GOVT WAS OPERATING ON THE ASSUMPTION THAT ANY SUCH UNDERSTANDINGS WOULD BE AT THE PLANT OR SPECIFIC INDUSTRIAL SECTOR LEVEL. SOCIAL SECURITY. THE SYSTEM WAS CUMBERSOME AND UNWIELDLY, AS COULD BE EXPECTED OF AN ORGANIZATION THAT EMPLOYED SOME 240,000 (INCLUDING 50,000 DOCTORS AND 130,000 HEALTH WORKERS). COLLECTIVE BARGAINING. CBA'S ALLOWED TO EXPIRE WOULD NOT LONGER HAVE AUTOMATIC WAGE INCREASES BASED UPON COST OF LIVING INCREASES. RENGIFO ESTIMATED THAT WAGES IN 1976 INCREASED AN AVERAGE OF 30PERCENT-"MUCH TOO HIGH FOR THE ECONOMY TO ABSORB." TRADE UNIONISM. THE LIMITED OFFICIAL USE

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PAGE 03 MADRID 02029 182124Z

SOON TO BE LEGALIZED TRADE UNIONS HAVE NOT SHOWN THE SENSE OF RESPONSIBILITY WHICH SOCIETY HAS THE RIGHT TO EXPECT, PROBABLY DUE LARGELY TO POLITICAL CONSIDERATIONS. EATON

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Message Attributes

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Control Number: n/a
Copy: SINGLE
Sent Date: 18-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Subject: COMMENTS OF MINISTER OF LABOR
TAGS: ELAB, EFIN, EGEN, SP, US, UK, FR, GE, (RENGIFO CALDERON, ALVARO)
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